

FILED
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Health Services Corp.

JAN 14 2015

U.S. BANKRUPTCY COURT
NEWARK, N.J.
BY MMW DEPUTY

In re

NEIGHBORHOOD HEALTH SERVICES
CORPORATION,

Debtor.

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY,
NEWARK VICINAGE

Chapter 11

Case No. 15-10277 (VFP)

Judge: Hon. Vincent F. Papalia, U.S.B.J.

**ORDER AUTHORIZING DEBTOR TO CONTINUE TO USE EXISTING CASH
MANAGEMENT SYSTEM, BANK ACCOUNTS, BUSINESS FORMS, AND
POSTAGE DEPOSIT ACCOUNT**

The relief set forth on the following pages, numbered two (2) through six (6), is hereby

ORDERED.

January 14, 2015

Vincent F. Papalia
Vincent F. Papalia, U.S.B.J.

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Upon the motion (the “Motion”) of the Chapter 11 debtor and debtor-in-possession herein, Neighborhood Health Services Corporation (“NHSC” or “Debtor”), by and through its proposed counsel, Giordano, Halleran & Ciesla, P.C., for authority to continue to use its existing Bank Accounts, Cash Management System, Business Forms, and Postage Deposit Accounts (as defined in the accompanying application) pursuant to Title 11 of the United States Code (the “Bankruptcy Code”), sections 105(a) and 363(c); and it appearing that the Court has jurisdiction over this matter; and it appearing that the relief requested in the Motion is in the best interests of the Debtor, its estate, and creditors; and notice of the Motion is good and sufficient and no further notice of the relief requested in the Motion is required; and after due deliberation and cause appearing therefor;

IT IS HEREBY ORDERED that:

1. The Motion is granted, and the Debtor is hereby authorized to maintain and continue to use its existing Bank Accounts, Cash Management System, Business Forms, and Postage Deposit Accounts on the terms set forth herein.

2. Subject to the other provisions of this Order, the Debtor is authorized, in the reasonable exercise of its business judgment, to (i) designate, maintain, and continue to use, with the same account number, its Bank Accounts in existence on the Petition Date; (ii) use, in their present form, checks and other documents related to the Bank Accounts; and (iii) treat such Bank Accounts for all purposes as an account of the Debtor as a debtor-in-possession.

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3. Subject to and consistent with §§ 362 and 553 of the Bankruptcy Code, the banks at which the Debtor maintains or controls accounts, PNC Bank and TD Bank (the "Banks"), are hereby prohibited from offsetting, affecting, or otherwise impeding the use, transfer of, or access to any funds of the Debtor, contained or deposited in the Bank Accounts, on or subsequent to the commencement of this Chapter 11 case, on account or by reason of any Claim (as defined in Bankruptcy Code section 101(5)) of the Banks, at which the Debtor maintains an account that arose before the commencement of this Chapter 11 case.

4. Notwithstanding paragraph 3 above, the Banks are specifically authorized to and are granted limited relief from the stay to offset in the ordinary course customary administrative fees, if any, owed to the Banks prior to or after the petition date.

5. The Banks are hereby authorized and directed to service and administer the Bank Accounts without interruption and in the usual and ordinary course, and to receive, process, honor, and pay any and all checks and drafts drawn on any such accounts provided, however, that no checks issued by the Debtor prior to the commencement of this Chapter 11 case will be honored on or after the date of this order (with the exception of any payments or transfers of monies relating to obligations which have been or will be authorized by orders of this Court).

6. The Banks are hereby authorized to continue to service and administer all such accounts as accounts of the Debtor and debtor-in-possession without interruption and in the usual and ordinary course, and to receive, process, honor, and pay any and all checks and drafts drawn on, or electronic transfer requests made on, said account after the Petition Date by the holders or

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makers thereof, as the case may be; provided, however, that any check drawn or issued by the Debtor before the Petition Date may be honored by the Banks prior to the date hereof or by any bank only as specifically authorized by order of this Court.

7. Except for those checks that may be honored and paid to comply with any order(s) of this Court authorizing payment of certain prepetition wage and similar claims and payment of credit card fees, no checks or drafts issued on the Bank Accounts before the Petition Date but presented for payment after the Petition Date shall be honored or paid on or after the date of this order.

8. The Debtor waives any potential claims that may be brought against the Banks by it or on its behalf or its bankruptcy estate by any subsequently appointed trustee or committee for (a) their post-petition honoring of checks that were issued pre-petition by the Debtor on its (For ordinary course obligations) ^{IP} accounts or (b) that were issued post-petition by the Debtor to pay pre-petition obligations not ^{ordinary course} specifically authorized by order of the Court.

9. Subject to any prohibitions contained in the Debtor's prepetition or postpetition financing agreements, the Debtor is hereby authorized to open any additional postpetition accounts with a bank or financial institution, and to close any existing account(s), as the Debtor may deem necessary and appropriate, and the banks and financial institutions are authorized to honor the Debtor's requests to open or close, as the case may be, such accounts or additional accounts. Notice of the closing or opening of any account must be provided within seven (7) days thereof to the Office of the United States Trustee and the Official Committee of Unsecured

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Creditors, if any; in the event the Debtor opens any new account post petition, must be a Debtor in Possession bank account and must be held at a depository approved by the U.S. Trustee Program, or the Debtor and such other specific bank(s) may enter into a depository agreement that is acceptable to the U.S. Trustee. The Office of the United States Trustee and the Official Committee of Unsecured Creditors, if any, shall have sixty (60) days from such notice to review the new account and raise any issues with respect thereto.

10. The Debtor is authorized to continue to use its existing business and correspondence forms and checks provided, however, that the Debtor displays the designation "Debtor-in-Possession" on all checks and business forms and that the Debtor starts a new numbering system for its post-petition checks and advises the Banks accordingly. In addition, following the depletion of the Debtor's check stock and/or business form stock, the Debtor will obtain new check stock and/or business forms stock reflecting its status as debtor-in-possession.

11. The Debtor is authorized to make disbursements from the Bank Accounts other than by check, to the extent consistent with the Debtor's existing cash management practices.

12. Effective *nunc pro tunc* to the Petition Date, the Banks shall be and hereby are authorized and directed to receive, process, honor, and pay any and all prepetition and post-petition checks drawn on and electronic transfers authorized for payment by the Court.

13. The Office of the United States Trustee and the Official Committee of Unsecured Creditors, if any, shall have sixty (60) days from entry of the within Order to review the Debtor's

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existing Bank Accounts and Cash Management System and raise any issues respecting the Bank Accounts. This period may be extended by either order of the Court or consent of the parties.

14. All disbursements shall be through the debtor-in-possession accounts and accounted for on the monthly operating reports.

15. The Debtor is authorized, in the reasonable exercise of its business judgment, to (i) maintain, and continue to use, with the same account numbers, its Postage Deposit Account in existence on the Petition Date; (ii) use, in their present form, documents related to the Postage Deposit Account; and (iii) treat such Postage Deposit Account for all purposes as an account of the Debtor as a debtor-in-possession.

16. Subject to and consistent with §§ 362 and 553 of the Bankruptcy Code, the entities at which the Debtor maintains or controls the Postage Deposit Accounts, specifically, Pitney Bowes Global (the “Postage Deposit Account Provider”), are hereby prohibited from offsetting, affecting, or otherwise impeding the use, or access to any funds of the Debtor, contained or deposited in the Postage Deposit Accounts, or on subsequent to the commencement of this Chapter 11 case, on account or by reason of any Claim (as defined in Bankruptcy Code section 101(5)) of the Postage Deposit Account Providers, at which the Debtor maintains an account that arose before the commencement of this Chapter 11 case.

17. The Postage Deposit Account Providers are hereby authorized and directed to service and administer the Postage Deposit Accounts without interruption and in the usual and

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ordinary course, and to receive, process, honor, and pay any and all postage drawn on any such accounts.

18. The Postage Deposit account Providers are hereby authorized to continue to service and administer all such accounts as accounts of the Debtor and debtor-in-possession without interruption and in the usual and ordinary course, and to receive, process, honor, and pay any and all postage drawn on said account after the Petition Date by the Debtor.

19. The Debtor shall serve a copy of this Order by first class mail upon the Bank set forth in the Motion within three (3) business days of the date hereof.

20. This Order is effective immediately upon entry.

Docs #1782024-v1